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ROBERT M. WATT, III 859-231-3043 watt@skp.com

May 6, 2005

6 2005

PUBLIC SERVICE COMMISSION

Hon. Beth A. O'Donnell **Executive Director Public Service Commission** 211 Sower Boulevard P.O. Box 615 Frankfort, Kentucky 40601

Re:

Louisville Gas and Electric Company

Kentucky Utilities Company

Case No. 2004-00507

Dear Ms. O'Donnell:

We enclose for filing an original and ten copies of the Data Requests of Louisville Gas and Electric Company and Kentucky Utilities Company to the Attorney General and IBEW and the Trades Council in the above-captioned case. Best regards.

Sincerely,

Robert M. Watt. III

Cohert War

Rmw Encl.

Cc:

Mr. John Wolfram (w/encl.) Counsel of Record (w/encl.)

RECEIVED

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

MAY 6 2005

PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF LOUISVILLE GAS)	
AND ELECTRIC COMPANY AND KENTUCKY)	
UTILITIES COMPANY FOR A CERTIFICATE)	CASE NO. 2004-00507
OF PUBLIC CONVENIENCE AND NECESSITY,)	
AND A SITE COMPATIBILITY CERTIFICATE,)	
FOR THE EXPANSION OF THE TRIMBLE)	
COUNTY GENERATING STATION)	

* * * * * * * * * *

DATA REQUESTS OF LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY TO IBEW AND TRADES COUNCIL

Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") (collectively the "Companies") respectfully submit the following data requests to Intervenors, International Brotherhood of Electrical Workers, Local 2100 ("IBEW") and the Greater Louisville Building and Construction Trades Council ("Trades Council") to be answered by the date specified in the Commission's Order of Procedure herein. The Companies filed a Motion to Strike Direct Testimony of Larry L. Roberts on April 28, 2005, herein. The Companies submit these data requests without waiving or otherwise diminishing the position taken in their Motion to Strike.

Instructions

1. As used herein, "Documents" include all correspondence, memoranda, notes, e-mail, maps, drawings, surveys or other written or recorded materials, whether external or internal, of every kind or description in the possession of or accessible to IBEW and/or the Trades Council, their witnesses or their counsel.

- 2. Please identify by name, title, position and responsibility the person or persons answering each of these data requests for information.
- 3. These requests shall be deemed continuing so as to require further and supplemental responses if IBEW and/or the Trades Council receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted herein.
- 4. To the extent that the specific document, work paper or information as requested does not exist, but a similar document, work paper or information does exist, provide the similar document, work paper or information.
- 5. To the extent that any request may be answered by way of a computer printout, spreadsheet or other form of electronic media, please identify each variable contained in the document or file which would not be self evident to a person not familiar with the document or file.
- 6. If IBEW and/or the Trades Council has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the undersigned counsel for the Companies as soon as possible.
- 7. For any document withheld on the ground of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown or explained; ant the nature and legal basis for the privilege asserted.
- 8. In the event any document requested has been destroyed or transferred beyond the control of IBEW and/or the Trades Council, or any of their witnesses, state: the identity of the person by whom it was destroyed or transferred and the person authorizing the destruction or transfer; the time, place and method of destruction or transfer; and the reason(s) for its destruction or transfer.

If destroyed or transferred by reason of a document retention policy, describe in detail the document retention policy.

9. If a document responsive to a request is a matter of public record, please produce a copy of the document rather than refer the Companies to the record where the document is located.

Data Requests

- 1. What is the purpose of the testimony of Larry L. Roberts ("Mr. Roberts")?
- 2. In page one his testimony, Mr. Roberts refers to work done with Cinergy, East Kentucky Power, TVA and utilities in Western Kentucky, including some current projects, under the "auspices" of a project labor agreement ("PLA"). For each such project within the last seven (7) years, including any ongoing project:
 - a. produce a copy of the PLA;
 - b. provide the estimated or budgeted project labor rates without the PLA and the actual costs with the PLA; and
 - c. list the number of Kentucky workers and the number of non-Kentucky workers utilized or employed.
- 3. On what basis does Mr. Roberts claim that Kentucky State Building and Construction and Trades Council ("State Trades Council") is the "primary organization in the state that takes the responsibility for insuring that Kentucky has a well qualified, properly trained and skilled workforce in place to meet the needs of sophisticated major construction?"
 - a. Please provide all references and documents which support that claim.
- 4. Will the State Trades Council permit Kentucky union workers to be directly hired by a selected Engineering Procurement and Construction ("EPC") bidder for TC2 if no PLA is entered into by KU and LG&E? If not, explain in detail why not?

- 5. If there are not enough qualified Kentucky union workers to meet the project schedule and needs for TC2, will the State Trades Council bring in workers from out of state to meet the needs of the project? Please explain the answer.
- 6. Does the Trades Council possess any information that the Peabody project described on page 6 of Mr. Roberts' testimony was "shelved" because of the use of "imported" workers? If so, provide all such information, including the production of any documents evidencing same.
- 7. On what basis does Mr. Roberts claim, on page 3 of his testimony, that a PLA allows full utilization of "all of the Kentucky craft resources available?"
 - a. Please provide all references and documents which support that claim.
- 8. Provide all information, including documents evidencing same, which establishes that the use of a PLA increases the utilization of Kentucky craft resources over that utilization for the same project without a PLA.
- 9. Provide all evidence which supports Mr. Roberts' claim, on page 7 of his testimony, that the referenced construction projects left "many skilled Kentucky craftsmen idle while the work was being performed over several years."
- 10. Please state whether Mr. Roberts has performed a study or analysis which supports his answer to the second question on page 3 of his testimony which states that Kentucky labor and craft resources are sufficient to complete the TC2 project on time and on budget.
 - a. If such a study has been performed, please provide such study or analysis and any and all documents relating to same.
- 11. Please state whether Mr. Roberts has performed any studies or analyses that supports the position stated in his answer to the first question on page 4 of his testimony that Kentucky

workers have been adversely impacted by the use of out of state employees. If so, please provide any such studies or analyses and any and all documents relating to same.

- 12. Please state whether Mr. Roberts has performed any studies or analyses that support his answer to the second question on page 4 of his testimony regarding the economic impact of the use of out of state employees on major Kentucky construction projects. If so, please provide any such studies or analyses and any and all documents relating to same.
- 13. On page 4 of his testimony of his testimony, Mr. Roberts states, "We have seen situations where qualified craft workers are drawing unemployment benefits while out of state workers perform construction in their backyards." With respect to that testimony, please provide all details of such situations, including, but not limited to:
 - a. The identity of the construction project;
 - b. The time and date;
 - c. The location;
 - d. The type of labor involved; and
 - e. All documents that support the statement.
- 14. On page 4 of his testimony, Mr. Roberts states, "We have seen situations where efforts by our local councils to deal with out of state contractors have been rebuffed, with a refusal to consider the use of local labor resources." With respect to that testimony, please provide all details of such situations, including, but not limited to:
 - a. The identity of the construction project;
 - b. The identity of the out of state contractors in each instance;
 - c. The time and date;
 - d. The location;

- e. The type of labor involved; and
- f. All documents that support the statement.

Dated: May 6, 2005 Respectfully submitted,

Kendrick R. Riggs

J. Gregory Cornett

OGDEN NEWELL & WELCH PLLC

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LG&E Energy LLC

220 West Main Street

Post Office Box 32010

Louisville, Kentucky 40232

Telephone: (502) 627-4850

Counsel for Louisville Gas and Electric Company and Kentucky Utilities Company

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Data Requests were served on the following persons on the 6th day of May 2005, U.S. mail, postage prepaid:

Elizabeth E. Blackford Assistant Attorney General Office of the Attorney General Office of Rate Intervention 1024 Capital Center Drive, Suite 200 Frankfort, Kentucky 40601 John N. Hughes Attorney at Law 124 West Todd Street Frankfort, Kentucky 40601

Michael L. Kurtz Boehm, Kurtz & Lowry 36 East Seventh Street, Suite 1510 Cincinnati, Ohio 45202 Daniel A. Lane Vice President and Managing Counsel Indiana Municipal Power Agency 11610 North College Avenue Carmel, Indiana 46032

Troy A. Fodor, P.C. 913 South Sixth Street Springfield, Illinois 62703 Douglas L. Jeavons Managing Director BBC Research & Consulting 3773 Cherry Creek North Drive, Suite 850 Denver, Colorado 80209-0448

Don Meade Priddy, Isenberg, Miller & Meade, PLLC 800 Republic Building 429 West Muhammad Ali Boulevard Louisville, Kentucky 40202 Irv Maze
Jefferson County Attorney
N. Scott Lilly
Second Assistant County Attorney
Hall of Justice, 2nd Floor
600 West Jefferson Street
Louisville, Kentucky 40202

Caluat Wall

Counsel for Louisville Gas and Electric
Company and Kentucky Utilities Company

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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AND ELECTRIC COMPANY AND KENTUCKY)	
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AND A SITE COMPATIBILITY CERTIFICATE,)	
FOR THE EXPANSION OF THE TRIMBLE)	
COUNTY GENERATING STATION)	

* * * * * * * * * *

DATA REQUESTS OF LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY TO THE ATTORNEY GENERAL

Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") (collectively the "Companies") respectfully submit the following data requests to the Attorney General of the Commonwealth of Kentucky ("AG") to be answered by the date specified in the Commission's Order of Procedure herein.

Instructions

- 1. As used herein, "Documents" include all correspondence, memoranda, notes, e-mail, maps, drawings, surveys or other written or recorded materials, whether external or internal, of every kind or description in the possession of or accessible to the AG, his witnesses or his counsel.
- 2. Please identify by name, title, position and responsibility the person or persons answering each of these data requests for information.

- 3. These requests shall be deemed continuing so as to require further and supplemental responses if the AG receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted herein.
- 4. To the extent that the specific document, work paper or information as requested does not exist, but a similar document, work paper or information does exist, provide the similar document, work paper or information.
- 5. To the extent that any request may be answered by way of a computer printout, spreadsheet or other form of electronic media, please identify each variable contained in the document or file which would not be self evident to a person not familiar with the document or file.
- 6. If the AG has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the undersigned counsel for the Companies as soon as possible.
- 7. For any document withheld on the ground of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown or explained; ant the nature and legal basis for the privilege asserted.
- 8. In the event any document requested has been destroyed or transferred beyond the control of the AG, or any of his witnesses, state: the identity of the person by whom it was destroyed or transferred and the person authorizing the destruction or transfer; the time, place and method of destruction or transfer; and the reason(s) for its destruction or transfer. If destroyed or transferred by reason of a document retention policy, describe in detail the document retention policy.

9. If a document responsive to a request is a matter of public record, please produce a copy of the document rather than refer the Companies to the record where the document is located.

Data Requests

- 1. Please provide copies of all testimony presented by Mr. Brown Kinloch to any regulatory agency or court in the last ten (10) years relating to certificates of convenience and necessity for electric generating stations, electric load forecasting, the timing of the addition of generating capacity, the need for base load capacity or the selection of particular base load options.
- 2. On page 5, lines 7-8 of his testimony, Mr. Brown Kinloch states that "the Companies have experienced no load growth for the last 5 years."
 - a. Please state in detail the factual basis for that testimony, and produce copies of all documents which the AG claims support that testimony (or, if in the record in this proceeding, provide citations to such documents sufficient to locate the specific portions relied upon for the testimony).
 - b. Is Mr. Brown Kinloch referring in this testimony only to peak demand?
 - c. Does Mr. Brown Kinloch have the same opinion regarding annual energy demand? If so, produce copies of all documents which the AG claims support that opinion (or, if in the record in this proceeding, provide citations to such documents sufficient to locate the specific portions relied upon for the opinion).
 - d. Does Mr. Brown Kinloch believe that the Companies' energy forecast is reasonable? If not, please set forth in detail the reason why the energy forecast is not thought to be reasonable, and describe each and every change Mr. Brown Kinloch would make to the Companies' energy forecast in order to make it reasonable.

- e. Does Mr. Brown Kinloch believe that there is a long-term relationship between the annual growth in energy and peak demand? If, so please describe the relationship and the factual basis for that belief. If not, please describe why not and the factual basis for that belief.
- 3. On page 7, lines 1 5 of his testimony, Mr. Brown Kinloch uses the Companies' 2004 actual weather normalized peak demand as the starting point for his projection (Exhibit DHBK-2), and uses the growth rates contained in Mr. Sinclair's Exhibit DSS-1 to project future peak demand.
 - a. Other than the "starting point," does Mr. Brown Kinloch believe that the Companies' peak demand will change by the growth rates shown in Exhibit DHBK-2?
 - b. If not, at what rate does Mr. Brown Kinloch believe the Companies' peak demand will grow? Please provide the projection and the factual basis for the projection.
 - c. Does Mr. Brown Kinloch believe that his approach to forecasting peak demand should be used if the 2005 weather-normalized peak is greater than the Companies' forecast? Please explain the answer.
 - d. If the 2005 weather-normalized peak is greater than that shown in DHBK-2, would this change Mr. Brown Kinloch's forecast of the Companies' peak demand? Please explain the answer.
- 4. Please provide each of the exhibits in Mr. Brown Kinloch's testimony in electronic format (preferably in Microsoft Excel) with the formulas intact.
- 5. Please provide all worksheets, work papers and spreadsheets that were utilized by Mr. Brown Kinloch in his analysis in both paper and electronic format, with formulas intact.

- 6. On pages 16-20 of his testimony, Mr. Brown Kinloch discusses the value of Green Tags. With respect to that testimony,
 - a. Please provide all supporting references and data, including copies of all supporting documents, for the opinion by Mr. Brown Kinloch that there is any marketable value whatsoever to the Companies for Marketer F's Green attributes.
 - b. Please provide all supporting references and data, including copies of all supporting documents, for the specific Green Tag value presumed in Exhibits DHBK-5 and DHBK-6. Provide any documents supporting the claim that an "assumption of the Green Tags being worth 6 mils" is "more realistic" in this specific case.
 - c. Please provide all supporting references and data, including copies of all supporting documents, for the testimony that "Green Tags associated with hydro are being marketed to the retail market on the East Coast for 12 mils." Have any of those marketed Green Tags actually been sold? If so, state the value and provide documents describing the sale and the value of the Green Tags.
 - d. Please provide all supporting references and data, including copies of all supporting documents, for the testimony that "Current hydro Green Tags in the Midwest" have any marketable value whatsoever. Provide specific descriptions, together with supporting documents, of any actual sales, including the price received, of "hydro Green Tags in the Midwest" in the last three years.
- 7. On page 20, lines 15-17 of his testimony, Mr. Brown Kinloch asserts that "it appears that the General Assembly's policy" to foster and encourage use of Kentucky coal "would be difficult to apply in this case" because TC2 "may only partially use Kentucky coal." Please explain in

detail the basis for that conclusion, including the citation to authorities and the production of any documents relating to the answer to this question.

- 8. Is it Mr. Brown Kinloch's opinion that the expected fuel source for TC2, as proposed by the Companies, is itself or in combination with any other factor a basis for denying the Companies' Joint Application? Please explain in detail the factual and legal bases for the response.
- 9. Mr. Brown Kinloch states, on page 23, lines 15-18, of his testimony, that "[b]ased on the construction schedule the Companies proposed in this case, it appears that the Companies have at least a two year window where growth can occur, to demonstrate a new growth trend, before construction needs to begin." Please explain in detail, with specific references to any testimony or documents, the basis for the claim that there is such a two year window under the Companies' proposed construction schedule before construction needs to begin.
- 10. Please refer to the Attorney General's Office's Motion in Support of Intervenor IBEW's and Trades Council's Motion for Reconsideration and Motion to Compel Discovery Requests filed on April 13, 2005, in this proceeding. Is it the AG's position that he will not oppose the recovery in rates of any additional labor costs that might be incurred by the Companies if a project labor agreement is executed as recommended by the IBEW and the Trades Council in this proceeding? Please explain the response in detail.
 - 11. Please refer to Mr. Brown Kinloch's testimony, page 5, lines 3-5.
 - a. Please provide the source of the peak demand data in that testimony.
 - b. Please provide the source of the weather normalization information in that testimony.

- 12. Please refer to Mr. Brown Kinloch's testimony, page 11, lines 19-23. With respect to that testimony,
 - a. Does Mr. Brown Kinloch agree that additional environmental constraints would cause him to suggest retirement of one or more of the Companies' generating units? Please explain the answer in detail.
 - b. If generating capacity is retired in the near term, and considering the lead time of construction of a base load generating unit, how does Mr. Brown Kinloch suggest that the Companies meet their load requirements economically? Please explain the answer in detail.
 - c. Does Mr. Brown Kinloch agree that delay in the construction of TC2 could cause difficulty in securing engineering and labor considering the demand for environmental-related projects and could result in increased costs of construction of any base load generating unit? Please explain the answer in detail.
- 13. Please refer to Mr. Brown Kinloch's testimony, page 13, lines 11-16. With respect to that testimony, does Mr. Brown Kinloch agree that the construction of TC2 prior to the commencement of a purchase power agreement with Marketer F produces a lower net present value revenue requirement than the Marketer F option? If not, please explain the answer in detail.
- 14. Please refer to Mr. Brown Kinloch's testimony page 19, line 3 page 20, line 3. With respect to that testimony,
 - a. Does Mr. Brown Kinloch agree that the \$10/ton carbon tax utilized in the Companies' IRP analysis is representative of a potential emission market? If not,

please state what level of carbon tax is representative of a potential emission market and explain in detail the basis for such level of carbon tax.

b. Does Mr. Brown Kinloch believe that carbon regulations will be implemented by2010? Explain in detail the basis for the answer.

Dated: May 6, 2005 Respectfully submitted,

Robert Wate Kendrick R. Riggs

J. Gregory Cornett

OGDEN NEWELL & WELCH PLLC

1700 PNC Plaza

500 West Jefferson Street

Louisville, Kentucky 40202

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Elizabeth L. Cocanougher Senior Corporate Attorney LG&E Energy LLC 220 West Main Street Post Office Box 32010 Louisville, Kentucky 40232 Telephone: (502) 627-4850

Counsel for Louisville Gas and Electric Company and Kentucky Utilities Company

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Daniel A. Lane Vice President and Managing Counsel Indiana Municipal Power Agency 11610 North College Avenue Carmel, Indiana 46032

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Lebert Wie Counsel for Louisville Gas and Electric Company and Kentucky Utilities Company